

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of,	)	
	)	DOCKET NO. 18162
[REDACTED],	)	
	)	DECISION
Petitioners.	)	
_____	)	

On June 8, 2004, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers), proposing income tax, penalty, and interest for taxable year 1999 in the amount of \$2,113.

The taxpayers filed a timely appeal. They did not submit additional information and did not request a conference. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Tax Commission records showed the taxpayers were Idaho residents who appeared to meet the state income tax filing requirements. The Bureau attempted to contact the taxpayers for an explanation of why they did not file a 1999 Idaho return, but they did not respond to the inquiries.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

**63-3045. Notice of redetermination or deficiency -- Interest.**

(1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

The Bureau prepared a 1999 Idaho income tax return on the taxpayers' behalf and sent them a

NODD. The taxpayers sent a letter of protest that they both signed. The letter said in pertinent part, “We do not agree with this determination because dependant deductions were not included in the determination along with all of our withholdings.”

The Bureau sent a letter to the taxpayers to acknowledge their protest, and the file was transferred to the Legal/Tax Policy Division for administrative review. The Tax Appeals Specialist sent the taxpayers a letter explaining their appeal rights. They did not respond.

Tax Commission records show that during 1999 the taxpayers were Idaho residents with Idaho sourced income in excess of Idaho’s filing requirement. These facts the taxpayers do not dispute. However, Tax Commission records show the taxpayers’ 1999 Idaho return has not been filed.

The Bureau used W-2 information [Redacted] to calculate the taxpayers’ Idaho tax amount. The standard deduction and credit for two personal exemptions were allowed. No withholding could be identified in Tax Commission records. The \$60 grocery credit reduced the tax amount. The Bureau added interest and penalty pursuant to Idaho Code §§ 63-3045 and 63-3046. The Tax Commission reviewed those additions and found them proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com’n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson’s, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated June 8, 2004, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty,

and interest for 1999:

<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
\$1,148	\$287	\$548	\$1,983

Interest is computed through March 1, 2005.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayers' right to appeal this decision is enclosed with this decision.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

#### **CERTIFICATE OF SERVICE BY MAIL**

I hereby certify that I have on this \_\_\_\_\_ day of \_\_\_\_\_, 2005, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]  
[Redacted]  
[REDACTED]

[Redacted]